

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4T20
Atlanta, Georgia 30303-8909



March 8, 2010

Ms. Elizabeth A. Johnson
Commissioner
Cabinet for Health and Family Services
Department of Medicaid Services
275 East Main Street, 6W-A
Frankfort, Kentucky 40621-0001

Attention: Sharley Hughes

RE: Kentucky Title XIX State Plan Amendment, Transmittal #09-011

Dear Ms. Johnson:

We have reviewed the proposed amendment to the Kentucky Medicaid State Plan that was submitted under transmittal number 09-011. This amendment allows pharmacists employed by pharmacies participating in the Kentucky Medicaid program, to be reimbursed a vaccine administration fee at the same rate established to reimburse physicians. The agency's rate for vaccine administration was set on 10/01/1994 and is still in effect.

Based on the information provided, we are pleased to inform you that Medicaid State Plan Amendment 09-011 was approved on March 5, 2010. The effective date for this amendment is October 1, 2009. We are also enclosing the approved HCFA-179 and plan pages.

If you have any questions or need any further assistance, please contact Maria Donatto at (404) 562-3697 or Darlene Noonan at (404) 562-2707.

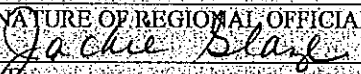
Sincerely,

A handwritten signature in black ink that reads 'Jackie Glaze'.

Jackie Glaze
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 09-011	2. STATE Kentucky
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2009	
5. TYPE OF PLAN MATERIAL (Check One):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 C.F.R. 440.120, 447.331, 447.332, 447.333, 42 U.S.C. 256b, 1396a-d		7. FEDERAL BUDGET IMPACT: a. FFY 2009 - budget neutral b. FFY 2010 - budget neutral	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Page 20.2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same	
10. SUBJECT OF AMENDMENT This plan amendment allows for reimbursement to participating pharmacies that administer the H1N1 vaccination to receive \$3.30 for administering the vaccination by injection or in its nasal spray form.			
11. GOVERNOR'S REVIEW (Check One):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
X OTHER, AS SPECIFIED: Review delegated to Commissioner, Department for Medicaid Services			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:	
13. TYPED NAME: Elizabeth A. Johnson		Department for Medicaid Services 275 East Main Street 6W-A Frankfort, Kentucky 40621	
14. TITLE: Commissioner, Department for Medicaid Services			
15. DATE SUBMITTED: December 28, 2009			

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: 12/28/09	18. DATE APPROVED: 03/05/10
PLAN APPROVED -- ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/01/09	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Jackie Glaze	22. TITLE: Acting Associate Regional Administrator Division of Medicaid & Children's Health Opps
23. REMARKS: Approved with following changes as authorized by State Agency on email dated 03/02/10: Block # 8 Attachment 4.19-B Page 20.02 changed to read: Attachment 4.19-B page 20.02, 3.1-A and 3.1-B page 23.3 Block #9 Same changed to read: Attachment 4.19-B page 20.02, 3.1-A and 3.1-B page 23.3	

Commonwealth Global Choices

Other Licensed Practitioners' Services (continued)

- (d) Ophthalmic dispensers' services, limited to dispensing service or a repair service (for eyeglasses provided to eligible recipients), are covered. The following limitations are also applicable:
- (1) Telephone contacts are not covered;
 - (2) Contact lens are not covered;
 - (3) Safety glasses are covered when medically necessary subject to prior authorization requirements described in material on file in the state agency.
- (e) Pharmacist - Administration of the H1N1 vaccine by a pharmacist who is employed by a pharmacy participating in the Kentucky Medicaid Program.

Commonwealth Global Choices

Other Licensed Practitioners' Services (continued)

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Methods and Standards for Establishing Payment Rates — Other Types of CareC. Dispensing Fee

1. When establishing dispensing fees, the Department takes into consideration the conclusions of a report regarding the dispensing of prescription medications to persons eligible for Medicaid benefits. The report is based upon a survey of pharmacy dispensing costs in the Commonwealth of Kentucky, a review of academic literature, and the reimbursement rates of other payers. The report, required by state law, is submitted every three (3) years to the Governor and to the Legislative Research Commission. Utilizing the above information the Department establishes a reasonable dispensing fee.

Effective February 23, 2005, the dispensing fee for a generic drug prescription is \$5.00 and for a brand name drug prescription is \$4.50. The dispensing fee is applied to outpatient pharmacies and to long term care facilities.

2. For nursing facility residents meeting Medicaid patient status, an incentive of two (2) cents per unit dose shall be paid to long term care pharmacists for repackaging a non-unit dose drug in unit dose form.

D. Drug Administration Fee

1. Pharmacists employed by pharmacies participating in the Kentucky Medicaid program, are reimbursed a vaccine administration fee established at the same rate paid to physicians. The agency's rate for vaccine administration was set as of 10/1/1994 and are effective for services on or after that date. All rates are published on the Medicaid web site at <http://chfs.ky.gov/dms/default.htm>. Except; as otherwise noted in the plan, state developed rates are the same for both governmental and private providers.